

# rHRA + Special Pay Plan

Both the Special Pay Plan and the HRA maximize savings for employer and employee, and use accumulated leave in a creative, efficient way. Best of all, payouts can be split into both plans, creating a versatile benefit encompassing both dedicated health care funds and funds that can be used for any purpose.



## rHRA

- Used to pay for health care expenses (including insurance premiums) for employee, spouse, and tax dependents
- Funded by accumulated leave payouts, with permanent savings on both employer payroll and employee FICA taxes
- Fully portable and immediately accessible—employees can use HRA funds for life
- Invested for potential growth—employees have access to a wide range of options, including fixed and variable investments
- Triple tax-free—contributions, earnings and reimbursements are never subject to federal or state income tax



## Special Pay Plan

- Used for any purpose
- Funded by accumulated leave payouts, with permanent savings on both employer payroll and employee FICA taxes
- Fully portable and immediately accessible for employees age 55 or greater (age 50 for public safety employees)
- Invested for potential growth—employees have access to a wide range of options, including fixed and variable investments
- Tax-deferred—contributions and earnings grow tax-deferred until they are withdrawn